

MINUTES OF THE
TEXAS WATER DEVELOPMENT BOARD
FINANCE COMMITTEE MEETING
December 6, 2012

Chairman Monte Cluck called to order the meeting of the Finance Committee of the Texas Water Development Board at 8:45 a.m. in Room 170 of the Stephen F. Austin Building, Austin, Texas. Members, Edward G. Vaughan and F. A. "Rick" Rylander were in attendance.

Board Members Billy R. Bradford, Jr., Lewis H. McMahan and Joe M. Crutcher also attended the meeting.

Members of the Texas Water Development Board staff attending included: Chris Adams, Renita Bankhead, Stacy Barna, Jim Bateman, Joyce Bourenane, Brenner Brown, Carolyn Brittin, Kelly Burton, Melanie Callahan, Katherine Calnan, Chris Caran, David Carter, Mark Ellison, Scot Foltz, Larry French, Monica Galuski, Lisa Glenn, Rene Gonzalez, Mark Hall, Dan Hardin, Francia Harutunian, Ruben Hernandez, Amanda Jenami, Sandy Kaiser, Jennifer Kennedy, Merry Klonower, Randy Lara, Dain Larsen, Darryl Lindgens, Ryan Long, Robert Mace, Issa McDaniel, David Meeseey, Dave Mitamura, Piper Montemayor, Matt Nelson, Darrell Nichols, Ken Petersen, Lisa Petoskey, Debbie Ramirez, Joe Reynolds, Nancy Richards, Steve Rodriguez, Clay Schultz, Mike Segner, Caaren Skrobarczyk, Comer Tuck, Jeff Walker, Mark Wentzel, and David Yeager.

The following individuals were present:

Danielle Bradford, Piper Jaffray
Anne Burger, First Southwest
Nora Chavez, Stifel Nicolaus
Courtney Costello, Hutchinson Mockey Geleg
Kim Edwards, Piper Jaffray
Perry Fowler, AGC of Texas
Josh Gaytan, Bank of Texas
Debi Jones, Raymond James/Morgan Keegan
Jerry Kyle, Andrews Kurth
Dale Lehman, Piper Jaffray
Tom Lin, Bank of America/Merrill Lynch
Rick Menchaca, Bosc, Inc.
Lorraine Palacios, Ramirez & Co.
Timothy Peterson, J. P. Morgan
Ben J. Rosenberg, Coastal Securities
Greg Shields, Andrews Kurth
Dalton Smith, Bank of America/Merrill Lynch

1. CONSIDER APPROVAL OF THE MINUTES OF THE OCTOBER 17, 2012 MEETING.

Mr. Vaughan moved to approve the minutes as submitted; the motion was seconded by Mr. Rylander; it passed unanimously.

2. BRIEFING, DISCUSSION AND CONSIDER RECOMMENDING FOR APPROVAL BY RESOLUTION: (A) THE ISSUANCE, SALE AND DELIVERY OF STATE OF TEXAS, WATER FINANCIAL ASSISTANCE BONDS, SERIES 2013A FOR THE WATER INFRASTRUCTURE FUND IN A PRINCIPAL AMOUNT NOT TO EXCEED \$52,133,903; (B) APPROVING AND DEEMING FINAL A PRELIMINARY OFFICIAL STATEMENT TO BE USED IN THE MARKETING OF THE BONDS; AND (C) APPROVING AND AUTHORIZING THE DEVELOPMENT FUND MANAGER AND EXECUTIVE ADMINISTRATOR TO ACT ON BEHALF OF THE TEXAS WATER DEVELOPMENT BOARD IN THE SALE AND DELIVERY OF SUCH BONDS. (BOARD CONSENT ITEM NO.) Monica Galuski, Debt & Portfolio Management, presented this item.

Mr. Rylander moved to recommend approval of the staff recommendation as proposed; the motion was seconded by Mr. Vaughan; it passed unanimously.

3. BRIEFING, DISCUSSION AND CONSIDER RECOMMENDING FOR APPROVAL: (A) AUTHORIZING THE EXECUTIVE ADMINISTRATOR AND THE DEVELOPMENT FUND MANAGER TO TAKE ALL NECESSARY ACTIONS FOR THE ISSUANCE, SALE AND DELIVERY OF TEXAS WATER DEVELOPMENT BOARD STATE REVOLVING FUND SUBORDINATE LIEN REVENUE REFUNDING BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$117,000,000; AND (B) THE SELECTION OF UNDERWRITER(S) FOR THE NEGOTIATION OF THIS BOND ISSUE. (BOARD CONSENT ITEM NO. 7) Piper Montemayor, Director, Debt & Portfolio Management, presented this item.

Mr. Vaughan moved to recommend approval of the staff recommendation as proposed; the motion was seconded by Mr. Rylander; it passed unanimously.

4. THE COMMITTEE MAY DISCUSS ITEMS FROM THE BOARD MEETING OF DECEMBER 6, 2012.

No other items were discussed.

The meeting adjourned at 8:50 a.m.

APPROVED and ordered of record this the 31st day of January, 2013.

TEXAS WATER DEVELOPMENT BOARD
FINANCE COMMITTEE

Monte Cluck, Chairman

ATTEST:

Melanie Callahan
Executive Administrator